REMARKS

The October 9, 2007 Office Action regarding the above-identified application has been carefully considered; and the amendments above together with the remarks that follow are presented in a bona fide effort to respond thereto and address all issues raised in that Action. For reasons discussed below, it is believed that this case is in condition for allowance. Prompt favorable reconsideration of this amended application is requested.

The specification and claims have been amended above. Care has been taken to avoid introduction of new matter, as discussed below.

A spelling error has been corrected on page 6 of the specification.

Claim 6 is amended to distinguish over the art and to conform the terminology of the claim more closely to the original drawings and description, and several dependent claims are amended to conform to the new version of the independent claim. For example, claim 6 now recites an interface, a storage medium (having rules) and an order/transaction processing section. Application FIG. 2 shows a rules engine comprising a communication interface 240 and a rules storage 200, whereas order/transaction processing appears at 230 in that drawing. Attention also is directed to the detailed description running from line 21 of page 6 to line 5 of page 7, of the original application text. Claim 6 also now recites that each preset level of scope of application specifies a scope of source of transactions for which a corresponding rule should apply to all transactions from any source within the specified scope. The original description indicated that each particular level reflects a varying scope of application, from the very narrow account level to the broadest application of the rule (see page 8, lines 9-11, of the original specification). The claim also now recites a rule application function based on transaction source and the specified scope of the level assigned to each applied rule, to determine whether or not to execute the order contained in the received transaction (last paragraph of claim 6). Application FIG. 9 and the

discussion thereof on page 12 discloses application of rules of different levels/scopes of applicability. Hence, the amended version of claim 6 and the amended versions of the dependent claims find ample support in the original disclosure and should not raise any issue regarding written description or new matter.

The other independent claims have been revised to use one or more of the terms or to include one or more recitations similar to those discussed above relative to amended claim 6. Hence, the revised versions of the other independent claims should find similar support in the original disclosure and should likewise not raise any issue regarding written description or new matter.

Summary of Office Action

The issues raised in the latest Office Action all concerned patentability over art. The Office Action included a rejection of claims 6, 16, 17, 22 and 24 under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent 5,978,779 to Stein et al (hereinafter Stein). Claims 7-13 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Stein in view of Official Notice. Claim 26 was rejected under 35 U.S.C. §103(a) as being unpatentable over Stein in view of US Patent No. 6,850,907 to Lutnick et al. (hereinafter Lutnick). These rejections are traversed on the ground that the amended claims listed above patentably distinguish over the modifications/combinations proposed in the art rejections.

Patentability of Claims 6-13, 22 and 24

Although the language and thus the scope varies between the claims, independent claims 6, 22 and 24 all require that a rule has an assigned a level of scope of application selected from a plurality of preset levels, where each preset level of scope of application specifies a scope of source of transactions to which the rule should apply. The intent is that a rule having the

assigned level may be applied to all transactions from any source that falls within the specified scope. Each of these claims also requires that the assigned level of application for the rule is adjustable, from a first one of the preset levels of application to a second one of the preset levels of application, based on a user setting. Execution of an order or asset transfer contained in a transaction is dependent on the application of the rule(s) to the transaction. It is respectfully submitted that none of the combinations proposed in the rejections would satisfy the independent claim requirements regarding a rule having one of a plurality of levels of scope of application regarding transaction source, assigned to the rule from among a number of preset levels based on a user setting.

Stein discloses a system for integrating and structuring the relationships of a financial services provider (FSP) with its clients and with third parties (counterparties) with which the FSP transacts business. Each entity with which the FSP transacts business as well as each of the transacting entities internal to the FSP are assigned a unique, non-intelligent identifier (CCID), and a relationship is established between each identifier and at least on other entity likewise identified. The system allows the FSP's users to seamlessly access information and transact business with all entities. Attention is directed to the abstract. The text of the Stein patent does mention a number of rules. However, it is not seen where Stein actually discloses that a transaction approval/disapproval rule is assigned a level of scope of applicability regarding transaction source, from a plurality of preset levels of scope of applicability, based on a user setting. The sections of Stein cited in the rejection provide only references to the CCID and general references to rules. The Action has not explained how such discussions satisfy claim requirements regarding scope of applicability based on transaction source or requirements that such a level of scope of applicability for a rule is set by a user.

The initial rejection of claims 6, 22 and 24 over Stein did not specifically identify the differences between the claimed subject matter or explain how one of skill in the art would modify Stein to achieve the claimed subject matter. Instead, the rejection only generally notes that Stein does not disclose the claimed subject matter (last paragraph of page 2 of the detailed action) but concludes that it would have been obvious to use "Stein to produce Applicant's invention" (third full paragraph on page 3 of the detailed action). The rejection leaps to this startling conclusion without further analysis of how to modify Stein and without supporting explanation of knowledge in the art that would teach any specific differences of the claims over Stein. The burden is on the Examiner determine the scope and content of the prior art, ascertain the differences between the claimed subject matter and the prior art and provide a rationale of how and why one of skill in the art would modify the closest prior art reference to achieve the subject matter of Applicant's claim. The art rejection of claims 6, 22 and 24 over Stein does not meet this burden, therefore the rejection is improper. It is respectfully submitted that one of skill in the art would not have been taught by Stein to provide a user settable level of scope of application with regard to transaction source, for a transaction approval/disapproval rule. Hence, claims 6, 22 and 24 and the claims that depend from claim 6 patentably distinguish over Stein.

The addition based on Official Notice would not be sufficient to overcome the failure of Stein, as applied to claims 6, 22 and 24. The Action used Official Notice with respect to alleged prior art knowledge of levels of scope of application to a specific account, a specific registered representative, a specific office, a specific firm, and a global level. It is respectfully submitted that, although data regarding such items as the account, the registered representative, the office/firm or global level of a transaction were known, use thereof as a level of scope of applicability of a rule to apply to the transaction was not. Such scope of applicability to these levels certainly is not taught expressly by Stein, as apparently recognized by the Examiner. If

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there is some evidence on this point, it is incumbent on the Examiner to come forward with the evidence, to allow Applicants a meaningful opportunity to respond and to create a complete record for purposes of Appeal if necessary. The vague reliance on Official Notice does not provide the requisite level of evidence. Hence, the rejection over Stein and Official Notice also is improper and should be withdrawn.

The addition from Lutnick also would not be sufficient to overcome the failure of Stein, as applied to claims 6, 22 and 24. The rejection over Stein and Lutnick cites Lutnick for teaching a hierarchy in which participants can control and limit actions of other participants, to allegedly meet a claim recitation regarding user configurable parameters for a rule. The teaching of allowing participants to control and limit actions of other participants, extracted from Lutnick, would not lead one of skill in the art to assign a level of scope of rule applicability with regard to source of a transaction, settable to one of a plurality of levels based on a user setting, as claimed. Hence, the combination of Stein and Lutnick also does not satisfy any of claims 6, 22 and 24 or any of the claims that depend from claim 6.

For the reasons outlined above, it is respectfully submitted that claims 6, 22 and 24 and the claims that depend from claim 6 patentably distinguish over the various modifications/combinations of art applied in the latest Office Action and that the art rejections of those claims should be withdrawn.

Patentability of Claims 16 and 17

The method of independent claim 16 involves accessing rules, where each respective rule has a preset level of scope of application specifying a scope of source of transactions for which to apply the rule. The rule should apply to all transactions from any source within the specified scope. It is respectfully submitted that Stein does not disclose preset scope of applicability for each of the rules, relative to transaction source. Hence, none of the proposed

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modifications/combinations that rely on Stein as the base reference would meet this first requirement of claim 16.

However, claim 16 goes further and recites a second step of:

> checking the transaction containing the order to determine whether or not to execute the order contained in the transaction, by first applying rules having application scope specifying a specific account, then applying rules having application scope specifying a specific registered representative, then applying rules having application scope specifying a specific office, then applying rules having application scope specifying a specific firm and then applying rules having application scope applicable to transactions from all sources.

It is respectfully submitted that the applied art does not teach or inherently satisfy this order of application of rules based on scope relative to transaction sources. Stein provides a teaching to identify various entities involved in transactions and a general disclosure of data processing rules, but Stein does not specifically apply any of the rules based on transaction source in the detailed manner recited in claim 16. Despite the alleged Official Notice, there is no indication in the art or knowledge positively identified by the Action that would suggest applying rules to transactions based on source in the manner of the second step of Applicants' claim 16. The teaching of allowing participants to control and limit actions of other participants of Lutnick would not lead one of skill in the art to apply rules based on source, in the recited manner. Hence, none of the modifications or combination proposed in the art rejections would result in a method in which the checking to determine whether or not to execute the order contained in the transaction involves (1) applying rules having application scope specifying a specific account, (2) then applying rules having application scope specifying a specific registered representative, (3) then applying rules having application scope specifying a specific office, (4) then applying rules having application scope specifying a specific firm and (5) then applying rules having application scope applicable to transactions from all sources.

For the reasons outlined above, it is respectfully submitted that claim 16 and dependent claim 17 patentably distinguish over the various modifications/combinations of art applied in the latest Office Action and that the art rejections should be withdrawn with respect to those claims.

Conclusions

Upon entry of the above claim amendments, claims 6-13, 16, 17, 22 and 24 remain active in this application, all of which should be patentable over the art applied in the Action. Applicants therefore submit that all of the claims are in condition for allowance. Accordingly, this case should now be ready to pass to issue; and Applicants respectfully request a prompt favorable reconsideration of this matter.

It is believed that this response addresses all issues raised in the October 9, 2007 Office Action. However, if any further issue should arise that may be addressed in an interview or by an Examiner's amendment, it is requested that the Examiner telephone Applicants' representative at the number shown below.

To the extent necessary, if any, a petition for an extension of time under 37 C.F.R. § 1.136 is hereby made. Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account 500417 and please credit any excess fees to such deposit account.

Respectfully submitted,

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